

**School Funding Interim Commission 64<sup>th</sup> MT Legislature**  
**Special Education Funding**

The 2015 legislature provided no increase to special education. It was the only standard education funding source that did not include an inflationary increase. Additionally, the funding formula for special education cooperatives is inequitable and needs reform.

**What are consequences to lack of state support for special education?**

- ✓ **It adversely impacts disabled students and non-disabled students alike.**

Schools must provide special education to a significant number of students identified with disabilities (roughly 12% of total school enrollment statewide). The straining of special education resources forces school districts to shift additional dollars from general funds to special education. The state requires school districts to contribute a 33% general fund match for special education dollars. Statewide the average match is approximately 41.3%.

- ✓ **It disproportionately affects our rural schools and special education cooperatives.**

While larger school districts in urban communities may increase mill levy requests by including special education cost increases, smaller districts generally do not or cannot. This applies to most class C and B school districts and many class A districts. Cooperatives do not have the statutory authority to levy for additional funding.

- ✓ **It amplifies an existing problem with unequal access to appropriate special education services in our rural schools.**

Equal student access to appropriate special education services is attainable only with adequately funded resources which are essential for recruitment and retention of highly qualified personnel.

High rates of family poverty and movement in and out of rural areas adds to the challenge and cost of providing adequate services to students in rural schools. It is not uncommon for some rural school districts to experience an annual turnover of students approaching 30%.

**Special Education Cooperatives were created to share resources and personnel among rural school districts.**

Cooperatives serve 81% of Montana school districts (36% of all Montana students with disabilities). They are responsible to provide the bulk of special education services in rural schools and yet they are inequitably funded. Underfunding Special Education Cooperatives accelerates unequal access to special education services in rural Montana schools.

**Fund the basic education components first and equitably.**

All standard school district funding sources received an inflationary increase each year of the current biennium - with one exception; special education.

Legislators in the 2015 session debated bills designed to create *new* education funding sources. Some were publicized as a way to support students with special needs (disabilities and other student populations). Yet the legislature declined a special education inflationary increase which is the typical and most direct manner to support students with disabilities.

**Reform the funding formulas for special education cooperatives.**

The basic entitlement funding for a special education cooperative is an obsolete formula that is clearly inequitable when compared to the basic entitlement funding for elementary and high school infrastructure.

Statutorily set at 5% of the annual special education appropriation, this amount is inadequate to support the recruitment, retention and coordination of highly qualified personnel required to travel long distances to serve a sparsely distributed population.

The current funding formula for cooperatives does not offer adequate financial incentive for districts to become members or remain members of a cooperative.



**Statement by the Director of the Great Divide Cooperative:**

*Great Divide Education Services provides special education and related services to schools from Lincoln to Lima (seven counties). Staff members drive many miles to provide high quality special education teaching, speech-language, school psychology, and occupational and physical therapy services to special needs students in 26 schools.*

*For years, a special education teacher, school psychologist, and speech-language pathologist commuted from Helena each day to provide services to Lincoln (140 miles round trip) Philipsburg (180 miles round trip) and points in between. We have a special education teacher who travels from Anaconda to Lima (250 miles round trip), Wisdom, Jackson, Glen, Divide, Wise River, and Garrison. In order to continue providing these services, at even a minimal level, we need adequate monies that account for ever-increasing costs and demands.*

*Silvia Mangen*

*Director, Great Divide Education Services*

**Statement by the Director of the Big Sky Special Education Cooperative:**

*The Big Sky Special Needs Cooperative (co-op) is facing a significant financial shortfall in funding for the 2016-2017 school year. The co-op serves students in 5 counties across central Montana. Many of the staff must drive 2 or 3 hours per day to provide services.*

*The co-op has received less state funding each of the last 4 years primarily due to declining enrollments. Yet, the enrollment decline does not correlate with our disabled student population and respective needs. Several of the schools in the co-op have had to hire additional full time Para educators resulting in significantly increased costs to meet the needs of students.*

*Next year the co-op budget shortfall will be approximately \$200,000 and again our districts will have to significantly increase contributions from general funds. Even so we will cut staff resulting in reduction of supports to our students. We cannot cut services and continue to provide a Free and Appropriate Public Education (FAPE). To do so would deny students the services they require as well as subjecting schools to costly litigation.*

*Cooperative funding must be addressed in order to continue to provide the services students need and that is required by law.*

*Chris Magruder, Director of the Big Sky Needs Cooperative*